

CHAPTER 4.05 Business Licenses

4.05.005 Business License Taxes and Application Fee

A. Persons obtaining business licenses shall pay the taxes set out in the following table:

<i>Rate Type</i>	<i>Tax</i>
<i>Base Rates</i>	
Standard Rate (business with	\$300 per year
Small business (20 or fewer employees)	\$150 per year
Very small business (fewer than 5 employees)	\$75 per year
Multiple- business/single location, occasional	\$300 per year
Multiple- business/single location, ongoing	\$600 per year
Temporary business	\$75 per calendar month or fraction thereof, not to exceed the standard or small or very small business rate, whichever is applicable.
<i>The following businesses shall pay the greater of the base rate or the rate set forth below.</i>	
Motels and hotels, and similar businesses that are required to collect the Room Tax	\$4 per unit
Businesses renting four or more rental units on a monthly or longer basis	\$8 per unit
<i>Any business with gaming tables shall pay the following rates in addition to the base rate.</i>	
Businesses with gaming tables	\$1,250 per table, per year

(4.05.005(A.) amended by Ordinance No. 1961, adopted August 4, 2008; effective September 3, 2008.)

B. In addition to the business license taxes, applicants for a

business license shall pay a non-refundable application fee in an amount set by Council resolution.

- C. Businesses that operate their business at more than one fixed location shall pay the tax separately for each location, and employees who work at multiple fixed locations shall be deemed to work at the location where they perform most of their work.
- D. Employees who work at locations other than their employers' place of business, such as construction workers or repair persons, shall be deemed to work at one location, and their employer shall pay the business license tax based on their work within the city, whether or not the employer has a place of business in the city. If the employer does have a place of business in the city, the employer shall treat the mobile workers as if they were located at the employer's place of business.

4.05.010 Purpose

The purpose of this chapter is to provide revenue for municipal purposes and to provide for the health, safety, and welfare of the citizens of the city through the licensing of businesses, occupations, trades, and callings.

4.05.015 Definitions

The following definitions apply to this chapter:

Business. Any activity, profession, calling, trade, occupation, enterprise or shop that receives payment for goods, materials, services or rental of real or personal property.

Employee. A person who works for or at a business, including any owner, manager, or agent. The number of employees is based on the number employed on an average throughout the year. If a business has part time employees, each part time employee shall be counted as a fraction of an employee, based on the number of hours worked, assuming a 40-hour work week.

Multiple Business/Single Location. A group of separately owned businesses operating out of a single location without separate lockable premises for each business, such as a flea-market, farmer's market, or antique mall, but not including a shopping center or mall.

Occasional. Operating one or two days per week or for no more than one month a year.

Ongoing. Any multiple business/single location operation that does not qualify as occasional.

Person. Any public or private corporation, including domestic and foreign corporations, firms, partnerships of every kind, associations, organizations, syndicates, joint ventures, societies, any other group or entity acting as a unit and individuals.

4.05.020 License Required

Unless exempt under this chapter or state or federal law, no person shall conduct, engage in, carry on or practice any business within the city without securing a business license from the city recorder and paying the business license tax established by this chapter. A single multiple business/single location license covers all businesses operating as part of the multiple business/single location operation, but does not cover any participant business when not operating as part of the multiple business/single location operation.

4.05.025 Business License Application

A. Application for a business license shall be made on city forms and include an affirmation that all information contained in the application is true. The applicant shall pay a non-refundable fee for processing the application, in addition to the business license tax.

B. The application shall, at a minimum, state:

1. The name of the proposed business;
2. A description of the trade, shop, business, profession, occupation, or calling to be carried on;
3. The name and address of the applicant, manager (if different) and all parties having any ownership or proprietary interest the business;
4. The address at which the business will be conducted, or if the business will not be conducted out of a fixed address, a description of how the business is operated;

5. The amount of the business license tax tendered with the application and the basis for its calculation;
 6. The signature of the applicant;
 7. The date of the application;
 8. Evidence of satisfaction of state registration and bonding or insurance where required by state law, including registration number and expiration date;
 9. The fiscal year for which application is made;
 10. If a vending or other endorsement of the business license is sought, any additional information required to obtain the endorsement.
- C. The city may require that the applicant supply any additional information necessary to determine the applicant's compliance with the requirements of this subchapter and other provisions of law. Review of an application shall not begin until all requested information has been provided.
- D. The application shall be reviewed by the building department, the planning department, the public works department, the fire department and/or the police department before a license may be issued. The license may be issued only if the application is complete and the application complies with all applicable federal, state and city laws. An applicant will be offered the opportunity to complete the application or correct any violations.

4.05.030 Tax Year and Permit Validity and Expiration

- A. The business license taxes shall be assessed on a fiscal year basis, commencing July 1 and ending June 30 of the following year. All licenses except temporary licenses shall expire on June 30. Persons first required to obtain an annual license after January 1 shall pay a license tax equal to one half the annual tax otherwise payable. No rebate will be made if a licensee does not remain in business. Temporary licenses shall be by calendar month.
- B. All license taxes for continuing businesses shall be due July 1 and shall be delinquent after August 31. Delinquent license taxes paid between September 1 and September

15 shall have a 10% surcharge added. Delinquent license taxes paid after September 15 shall have a further 15% surcharge imposed.

4.05.035 Approval, Denial and Revocation

- A. The city shall approve or deny an application within 30 days of the submission of a complete application form, all requested additional information and fees. If a business will operate only if the city grants a land use approval, building permit or similar approval, the effective date of the business license shall be the date all necessary approval are issued, unless the applicant requests immediate issuance. The amount of tax payable shall be adjusted if necessary based on the effective date of the business license. Any restrictions or limitations shall be noted on the license.
- B. The city may deny or revoke a business license if it determines that:
 - 1. The licensee fails to meet the requirements of or is doing business in violation of this or any other applicable city ordinance, including failure to pay any fee or penalty; and/or
 - 2. The applicant has provided false or misleading material information or has omitted disclosure of a material fact on the application, related materials, or license.
- C. The city shall provide written notice to the applicant or licensee of a denial or revocation. The notice shall state the reason for the action taken and shall inform the applicant of the right to appeal. The notice shall be given at least 15 days before any revocation becomes effective. If the violation or other basis for revocation is discontinued or resolved within the 15 days, the city may terminate the revocation proceedings.
- D. A person whose application for a business license has been denied or whose license has been revoked may, after 90 days from the date of denial or revocation, apply for another license upon payment of the application fee and submission of an application form and related documents. A person may apply immediately after a denial if the application is amended to address the

reasons for denial.

- E. A person whose application for any business license has been denied or whose license has been revoked for a total of two times within one year or who has a total of four denials or revocations shall be disqualified from obtaining a business license from the date of the last revocation or denial.

4.05.040 Transfers and Relocations

Notice shall be provided to the city if the business is sold, moved to a different location in the city, or if the business ceases to do business in the city.

4.05.045 Appeal

If an application is denied or a license is revoked, the license holder may appeal by filing a written appeal with the city manager within 15 days after the denial or revocation. The Council shall hear and decide the appeal at its next regular meeting held not less than 20 days after the filing of the appeal. The decision of the Council shall be final.

4.05.050 Disclaimers, Exceptions, and General Requirements

- A. The grant of a business license or payment of the license tax does not excuse compliance with any applicable law or regulation or vest any right or create any contractual obligation.
- B. Each licensee shall:
 - 1. Comply with all applicable federal, state, and local laws and regulations.
 - 2. Notify the city within ten days of any change in material information contained in the application, related materials, or license.
 - 3. Display a business license upon request to any person dealing with the licensee as part of the licensed activity or to an officer or employee of the city.

4.05.055 Tax Exempt Organizations

Tax exempt organizations are required to obtain a business license but are exempt from payment of the business license tax. A tax exempt organization that operates a multiple-business/single location operation may pay the tax to cover all the individual businesses. If the tax for the multiple-business/single location operation is not paid, each participant business that is subject to taxation shall pay the applicable business tax for its business. An organization seeking exemption from tax payment shall provide proof of federal recognition of tax exempt status.

4.05.060 Exemptions

The following are exempt from the requirements of this chapter:

- A. Any person whose income is based solely on a wage or salary paid by an employer.
- B. Any person who operates a business on a part-time basis, which business has annual gross receipts of less than \$500.00.
- C. Any person conducting judicial sales under court order.
- D. Any person whose only business in the city is the delivery of goods produced outside the city.
- E. Any person whose business activities, including the activities of all employees, total less than 20 hours per year. This exemption is intended to apply to businesses based outside the city that may do minimal work inside the city, and to persons who engage only in minimal business.
- F. A person who sends goods to a customer in the city is not considered to be doing business in the city based solely on the sending or delivering of the goods into the city. However, a company in the business of delivering goods is subject to the requirements of this chapter if the company is engaged in business (picking up or delivering goods) within the city in excess of 20 hours per year.

4.05.065 Violation

A violation of this chapter is a civil infraction.

(Chapter 4.05.005 - 4.05.065 adopted by Ordinance No. 1932 on September 4, 2007; effective October 4, 2007)